(d) In the context of the general declining trend in Credit-Deposit Ratio in Kerala, a Task Force was set up to look into the issue and suggest measures for improvement. The Task Force in its report submitted in July 1994 has identified various constraints in expansion of credit in Kerala and suggested a series of measures to be taken by the agencies responsible for implementation of the recommendations. A Monitoring Committee under the Chairmanship of the Chief Secretary, Government of Kerala was constituted to oversee the speedy implementation of the recommendations. The Committee has been reviewing the measures initiated by the various agencies from time to time.

Waiver of Loans of NTC Mills

122 SHRI DINSHA PATEL: Will the Minister of TEXTILES be pleased to state :

(a) whether a proposal to write off loans of 43 sick mills under National Textile Corporation (NTC) is under consideration of the Government; and

(b) if so, the details thereof ?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) and (b) The BIFR has issued show cause notices for winding up four subsidiary coroprations of NTC, namely, NTC (UP) Ltd., NTC (MP) Ltd., NTC (Guj) Ltd., & NTC (WB/B & O) Ltd., mainly on the ground that the net worth of these four subsidiary corporations will not become positive in ten years of implementation of rehabilitation plan unless Govt. loans and interest thereon are waived. The matter is under consideration of the Government.

Trade with Neighbouring Countries

123 SHRI RAJENDRA AGNIHOTRI: Will the Minister of COMMERCE be pleased to state :

(a) to total value of trade undertaken with China, Nepal, Srilanka, Bangladesh, Pakistan and other neighbouring countries during each of the three years; and

(b) the steps being taken to increase the trade with these countires ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) The data on trade with China, Nepal, Srilanka, Bangladesh, Pakistan and other neighbouring countries during the last 3 years is given in the enclosed Statement I.

(b) The steps being taken to increase trade with these countries are given in the enclosed Statement II.

Statement I

Trade with India's Neighbour

(Value in Rs crores)

Country	1993-94			1994-95			1995-96		
	Export	Import	Total Trade	Export	Import	Total Trade	Export	Import	Total Trade
China	875.33	946.97	1822.30	798.24	2388.90	3187.14	1097.44	2732.84	3827.28
Nepal	304.87	85.62	390.49	377.00	114.89	491.89	536.45	166.95	703.40
Sri Lanka	897.47	62.19	959.66	1151.08	96.40	1247.48	1335.62	145.83	1481.45
Bangladesh	1349.69	56.09	1405.78	2024.13	119.85	2143.98	3469.91	282.14	3752.05
Pakistan	200.66	136.48	337.14	179.71	165.61	345.32	256.80	150.80	407.60
Bhutan	31.10	9.34	40.44	34.83	57.40	92.23	57.56	107.20	164.76
Maldives	24.63	1.02	25.65	48.28	0.73	49.01	52.52	0.55	53.07
Afghanistan	67.63	11.32	78.95	49.05	20.52	69.57	64.80	28.57	93.37
Myanmar	67.56	379.62	447.18	71.10	398.02	469.12	84.51	527.58	612.09

Statement II

India and its neighbouring countries namely Nepal, Bhutan, Bangladesh, Sri Lanka, Maldives and Pakistan have orgnaised themselves into South Asian Association for Regional Cooperation (SAARC) with the intention, *inter-alia*, to strengthen trade relations among themselves. An agreement for Preferential Trading Arrangement (SAPTA) among the SAARC Member States was signed in 1993. It became operational with effect from 7.12.95 with the intention to progressively reduce the tariff incidence for intra-regional trade. It is proposed to set up a total Free Trade Area in the region preferably by 2000 A.D. but not later than 2005 A.D. Reduction/removal of tariff and non-tariff barriers, exchange of information relating to bulk imports by government agencies, improvement in transport and transit infrastructure, exhibition of existing trade potential of the Member countries with a view to encourage the import requirements of Member countries from within the region, simplification of visa facilities for more frequent inter-action between the Government and business/trade promotion agencies, seminars and workshops at business level and efforts made by the SAARC Chamber of Commerce and Industries to promote economic inter-action within the region etc are some of the measures taken by India and its neighbouring countries to strengthen trade relations.

2. The steps taken to increase trade with China include reopening of traditional trade between inhabitants along the border of two sides, promotion of technical collaboration between the two countries, setting-up of Joint Task Force for monitoring progress of implementation of coal projects with Chinese cooperation, participation in trade fairs and inter-action between the business communities of India-China organised by India and China Joint Business Council.

3. The steps taken to increase trade with Myanmar include operationalisation of border trade between India and Myanmar, organisation of trade exhibitions and exchange of business delegations and official delegations.

[Translation]

Violation of Companies (Deposit and Sanction) Rules, 1975

124. SHRI N. J. RATHWA : Will the Minister of FINANCE be pleased to state :

(a) whether clause 58A of the Companies (Deposit and Sanction) Rules, 1975 provides modes and principles for a company who are engaged in mobilising fixed deposit from the general public;

(b) if so, the details thereof;

(c) whether the fixed depositors can make any complaint to the 'Company Law Board' against the defaulting companies;

(d) if so, whether the Government are aware that some companies are violating the above Rules by mobilising heavy amount as fixed deposit from the public during the last three years;

(e) if so, the details of such complaints received by the 'Company Law Board' particularly from those companies which come under the purview of Registrar of Companies (Delhi and Haryana) during the above period, year-wise; and

(f) the action taken by the 'Company Law Board' in this regard, Company-wise ?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b) Section 58A of the Companies Act, 1956 provides for the regulations of the invitation and acceptance of deposits. The Companies (Acceptance of Deposits) Rules, 1975 were notified in exercise of the powers conferred by Section 58-A read with Section 642 of the said Act.

These rules *inter alia* provide for period of deposit, ceiling on rate of interest and rate of brokerage, permissible limits for acceptance of deposits and other restrictions on acceptance of deposits. A company is required to deposit 15% of the deposits maturing during the year in specified securities. Every comapany shall issue an advertisement/ deliver a statement in lieu of advertisement in the prescribed manner.

(c) Depositors may apply to the Company Law Board under the provisions of Section 58-A (9), where a company has failed to repay any deposit or part thereof in accordance with the terms and conditions of such deposit.

(d) Some instances where companies have failed to comply with the provisions of the law and the Rules relating to deposits have come to the knowledge of the Government.

(e) and (f) The Company Law Board received 1,000 applications u/s 58-A (9) during 1995-96. A statement of complaint received by Company Law Board (Northern Bench) relating to Companies which come under the purview of Registrar of Companies (Delhi and Haryana) during the last 3 years and action taken by Company Law Board is attached.

Statement

S. No.	Name of the company	No. of Depositors who applied	Remarks
1	2	3	4
1994 including applications received in subsequent years			
1.	Escorts Transmission Ltd.	2	Notice to the Company issued - Hearing to be fixed.